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INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUCPDO/DEPT OF COMMERCE WASHDC

UNCLAS PRAGUE 000399

SIPDIS

SENSITIVE  
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STATE FOR EUR/NCE EFICHTE AND EB/IPE JBOGER  
STATE PASS USTR FOR JCHOE-GROVES AND WMOORE  
COMMERCE FOR 4232/ITA/MAC/MROGERS  
COMMERCE PASS USPTO  
STATE PASS LIBRARY OF CONGRESS

E.O. 12958: N/A

TAGS: [KIPR](#) [ETRD](#) [ECON](#) [EZ](#)

SUBJECT: CZECH REPUBLIC: PROGRESS ON IPR ACTION PLAN

REF: A. PRAGUE 323

- [1](#)B. PRAGUE 293
- [1](#)C. PRAGUE 274
- [1](#)D. PRAGUE 244
- [1](#)E. PRAGUE 160

[1](#)1. (SBU) SUMMARY: A/DCM and econoffs met April 13 with Deputy Minister of Industry and Trade Martin Tlapa and his IPR team to follow-up on the Ambassador's IPR discussions with Minister of Industry and Trade (ref B) and the DCM's letter to Tlapa urging a government action plan to combat piracy. Tlapa said that since returning from his early March trip to Washington, he has consulted with the interagency IPR committee and confirmed that there is a strong will to tackle IPR problems at the border markets. The interagency committee will reconvene in mid-May to develop an IPR action plan under the working theme of "a no tolerance policy" that focuses on stronger and binding enforcement measures. The interagency committee is only advisory in nature, so any action plan will require formal government approval. The committee plans to present the action plan for the Minister's approval by end-June and hopes the action plan will be presented to government for adoption in fall 2007. While Tlapa was very forthcoming about his ministry's commitment and responsibilities to combat IPR violations, he explained that he needs to now spread that commitment across ministries. He urged the USG to take an objective and "balanced" approach to assessing the IPR situation in the Czech Republic. END SUMMARY.

[1](#)2. (SBU) Ministry of Industry and Trade (MPO) Deputy Minister Martin Tlapa told A/DCM that IPR protection is a top priority and committed to developing a Czech IPR action plan, calling it his "homework" for solving the piracy issue at the open air markets. Since returning from his March trip to Washington, Tlapa has confirmed that all departments within MPO are committed to making IPR protection a top priority. He also convened on March 28 an interagency IPR committee (formed five years ago to address USG IPR concerns), which includes the Ministry of Culture, Ministry of Justice, Ministry of the Interior, Customs, Czech Trade Inspection and MPO. All affirmed that they see the need to respond to the current IPR problem as a "high priority."

[1](#)3. (SBU) The interagency IPR committee agreed that the focus must be on a higher standard of binding enforcements. Tlapa said that current enforcement practices need to be more efficient to permanently alleviate IPR violations, noting that raids on market vendors selling pirated articles have

not stopped them from re-selling pirated articles, often immediately after the police vacate the scene. He explained that the interagency committee recommendations include: (1) a revised inspection regime with greater emphasis on vendor documentation and products; (2) amendments to the Consumer Protection Act and the Trades Licensing Act that would give inspectors the authority to make unannounced inspections of warehouses and other storage facilities without first acquiring a warrant; (3) removal of licensing exemptions for foreigners; (4) new rules for regulating open air markets, such as maintaining an accurate vendor registry.

14. (SBU) The interagency committee will meet again in mid-May to establish an IPR action plan under the working title of a "no tolerance policy," which will be presented to Minister Riman for approval by end-June. If approved, the interagency committee will move forward on coordination with other ministries during the summer and anticipates the IPR action plan to be submitted for GOCR approval by September. Tlapa pledged transparency on his efforts to establish an effective IPR action plan and agreed to coordinate closely on its development and progress. He also expressed interest in working more closely with the U.S. Chamber of Commerce and U.S. industry groups as the action plan is fleshed out.  
GRABER